

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 24-112

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY**

**Petition for Adjustment of Stranded Cost Recovery Charge for
Effect on February 1, 2025**

**Order *Nisi* Approving Adjustment to Stranded Cost Recovery Charge on
Partially-Provisional Basis**

O R D E R N O. 27,096

January 24, 2025

In this order, the Commission approves, on a *nisi* basis, a recalculated adjustment to the Stranded Cost Recovery Charge (SCRC) for the customers of Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or the Company) effective with services rendered on and after February 1, 2025. For residential class customers, the average SCRC rate will decrease by 0.199 cents per kilowatt-hour (kWh) to 0.734 cents per kWh. The Commission will schedule a further review proceeding to consider Part 2 SCRC costs relating to net metering and other elements; in light of this, all SCRC costs and rates other than those for Part 1 of the SCRC are being approved on a provisional basis in this Order *Nisi*.

I. BACKGROUND

On November 20, 2024, Eversource filed a petition to adjust its SCRC rate for the 12-month rate period beginning February 1, 2025. See Proposed Hearing Exhibit 1. On December 1, 2024, the Commission issued a Commencement of Adjudicative Proceeding and Notice of Hearing Order scheduling a hearing for January 21, 2025. The Commission issued a procedural order on December 19, 2024 approving a procedural schedule for this proceeding, which had been proposed by the

New Hampshire Department of Energy (DOE), with the assent of Eversource and the Office of the Consumer Advocate (OCA) in a filing made on December 18, 2024. On January 10, 2025, the Commission issued a procedural order granting the motions for intervention by the NRG Retail Companies¹, the Community Power Coalition of New Hampshire (CPCNH), and the Retail Energy Supply Association, which were all timely filed on December 27, 2024. The Commission also propounded data requests on the Company regarding its SCRC proposal within the January 10 procedural order. The Company also provided an initial update to its SCRC petition on January 10, 2025. See Proposed Hearing Exhibit 2.

On January 13, 2025, the Commission issued a further procedural order granting the late-filed (on December 31, 2024) intervention by Colonial Power Group, Inc. (Colonial). Also on January 13, 2025, CPCNH, the NRG Retail Companies, and Colonial filed a motion for rehearing of the Commission's December 12 Commencement of Adjudicative Proceeding and Notice of Hearing order, and its December 19 procedural order approving the assented-to procedural schedule in this proceeding. These parties' concerns centered on the Commission's consideration of a proposal, embedded by the Company in its SCRC petition, for the potential recovery of Energy Service (ES) Rate Reconciliation Adjustment Factor charges in the SCRC. In response to this, the Commission issued a procedural order on January 17, 2025, holding that the ES Rate Reconciliation Adjustment Factor proposals by the Company would be adjudicated in a separate phase of this proceeding, expected to be concluded in late March, and ordering Eversource to submit a re-calculation of the SCRC rates

¹ The NRG Retail Companies filing the motion for intervention are: Direct Energy Services LLC; Direct Energy Business LLC d/b/a NRG Business; NRG Business Marketing, LLC (f/k/a Direct Energy Business Marketing LLC), Reliant Energy Northeast LLC d/b/a NRG Home, and XOOM Energy New Hampshire; it is presumed that these various entities are under common ownership and/or control.

without the ES recovery element. Eversource provided responses to the Commission's data requests on January 17, 2025, and Eversource provided the recalculated SCRC rates in a filing made on January 22, 2025.

The Company's SCRC petition, and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at

<https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-112.html>.

The hearing on the Company's SCRC rate proposals, with the ES Rate Reconciliation Adjustment Factor issue excluded per the terms of the January 17, 2025 procedural order, was held as scheduled, with representatives of Eversource, the DOE, and the OCA attending. (No other party attended the January 21 hearing). Through the course of the January 21 hearing, the Commission engaged in questioning of Eversource regarding two issues, namely: (1) the final accounting of the costs related to the defunct power purchase agreement (PPA) between Eversource and the Burgess BioPower facility in Berlin, New Hampshire (Burgess Plant), and the 'Chapter 340' rate adder arising therefrom that was terminated by the Commission as of October 31, 2024 in Dockets Nos. DE 23-091 and DE 24-032; and (2) the SCRC Part 2 cost elements related to net-metering expense, for which significant information gaps were apparent upon Commission questioning of the Company.

A full description of the mechanics and history of the SCRC process for the Company may be reviewed by the interested reader in Order No. 26,398 (January 26, 2024), at 3-4, issued by the Commission in last year's SCRC docket, DE 23-091, available here: https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-091/ORDERS/23-091_2024-01-26_NHPUC-ORDER-26938.PDF. (As this Order is being issued on a *nisi*, partially-provisional basis, this background will not be

reproduced here for the sake of brevity). At the January 21 hearing, the Commission inquired of the parties present, including Eversource, of the acceptability of taking the approach delineated in the January 17 procedural order, with a further proviso that the approach taken in Order No. 26,398 would be applied in this proceeding, wherein: (1) the Part 1 SCRC costs related to the Company's Rate Reduction Bonds (RRB's) would be approved on a non-provisional basis, subject to reconciliation; and (2) the Part 2 SCRC Costs (which includes the Burgess Plant PPA final accounting and the net-metering costs) would be approved on a provisional basis by the Commission, subject to further review and process. Eversource, the DOE, and the OCA did not object to this proposed approach by the Commission, which issued a bench ruling to that effect at the conclusion of the January 21 hearing.

The updated (as of January 22, 2025) average SCRC rates are as follows, which represent a reduction in SCRC rates for all Eversource rate classes, except for the Rate OL/EOL Outdoor Lighting Classes, compared to current rates (see Proposed Hearing Exhibit 6 at Bates Page 52). (There is variation among the specific rate sub-classes for each overall Rate Class in the SCRC rates, which are presented in a granular way by the Company in Proposed Hearing Exhibit 6, Bates Page 51).

Rate Class	Current Rate (cents/kWh)	Proposed Rate (cents/kWh)	Change (cents/kWh)
Rate R (Residential)	0.933	0.734	(0.199)
Rate G	0.936	0.818	(0.118)
Rate GV	0.852	0.594	(0.258)
Rate LG	0.650	0.054	(0.596)
Rate OL/EOL	1.169	1.321	0.152

Background written testimony in support of the Company's SCRC rate proposals was prepared by Ms. Ashley Botelho and Mr. Edward Davis, personnel with Eversource's service-company corporate affiliate, and presented in the Company's

November 20, 2024 and January 10, 2025 filings. See Proposed Hearing Exhibits 1 and 2.

II. COMMISSION ANALYSIS

RSA 378:7 authorizes the Commission to determine the just, reasonable, and lawful rates to be charged by public utilities. Any recovery of stranded costs “should be through a non-bypassable, non-discriminatory, appropriately structured charge that is fair to all customer classes, lawful, constitutional, limited in duration, consistent with the promotion of fully competitive markets, and consistent with [restructuring] policy principles.” RSA 374-F:3, XII(d). The Commission must determine whether categories of costs included within the proposed SCRC rates are consistent with the requirements of RSA 374-F:3, XII(d), or are appropriately included consistent with prior Commission orders concerning costs eligible for recovery.

In this instance, the Commission must further probe the issues surrounding the net-metering cost elements of the proposed SCRC rates and the final accounting of the Burgess Plant PPA costs, which implicate tens of millions of dollars of aggregated costs within the SCRC structure, with an impact on Part 2 rates. Although we acknowledge that further investigation of these rate elements is necessary, we also, as the arbiter of the interests of the Company and its ratepayers, do recognize the need to avoid uncertainties relating to RRB servicing requirements (i.e., Part 1 costs), and the need to fund ongoing environmental remediation efforts and other reconcilable SCRC rate elements on a timely basis. Therefore, pursuant to our authority under RSA Chapters 374 and 378, we will approve the Company’s proposed SCRC rates effective February 1, 2025 on a provisional basis by this Order *Nisi*, with the exception that Part 1-related costs and rates shall not be provisional, pending further investigation and rulings by the Commission. See Order No. 26,938 (January 26, 2024). We will

schedule a continued hearing in March regarding this matter through a subsequent procedural order issued within this instant Docket No. DE 24-112 in the near future. (As discussed above, the ES Reconciliation Factor issue in this instant proceeding will be adjudicated separately, pursuant to the terms of our procedural order issued on January 17, 2025, with a separate hearing date for that issue).

Based upon the foregoing, it is hereby

ORDERED *NISI*, subject to the effective date below, that Eversource's updated SCRC rates, for effect on a service-rendered basis for the twelve-month period beginning February 1, 2025, as presented in the Company's updated petition, Proposed Hearing Exhibit 6 at Bates Page 51, are hereby APPROVED on a PROVISIONAL basis, pending further review and hearing in this instant docket, with the proviso that the costs and rate elements under Part 1 of the SCRC are APPROVED herein, subject to reconciliation; and it is

FURTHER ORDERED, that Eversource shall, on an ongoing basis, reconcile the estimated SCRC costs with actual costs, and include the reconciliation in subsequent SCRC rate calculations; and it is

FURTHER ORDERED, that Eversource shall file its calculations, allocations, and conforming tariff pages, all as approved herein, within 20 days of the effective date of this order, consistent with N.H. Code Admin. Rules, Puc 1603; and it is

FURTHER ORDERED, that Eversource shall cause a copy of this order *nisi* to be published on its website no later than the close of business on January 27, 2025, to be documented by affidavit filed with this office on or before January 29, 2025; and it is


FURTHER ORDERED, that all persons interested in responding to this order be notified that they may submit their comments or file a written request for a hearing

which states the reason and basis for a hearing no later than January 31, 2025, for the Commission's consideration; and it is

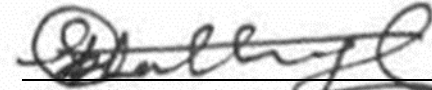
FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than February 5, 2025; and it is

FURTHER ORDERED, that this order shall be effective February 1, 2025, unless Eversource fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.


By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of January, 2025.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Mark W. Dell'Orfano
Commissioner

Service List - Docket Related

Docket#: 24-112

Printed: 1/24/2025

Email Addresses

ClerksOffice@puc.nh.gov
denise@colonialpowergroup.com
Clifton.Below@CommunityPowerNH.gov
ashley.botelho@eversource.com
brian.callnan@communitypowernh.gov
mark@colonialpowergroup.com
Michael.J.Cronin@energy.nh.gov
gary.m.cronin@energy.nh.gov
edward.davis@eversource.com
Deana.Dennis@CommunityPowerNH.gov
Energy-Litigation@energy.nh.gov
paul.b.dexter@energy.nh.gov
Stephen.R.Eckberg@energy.nh.gov
donald.m.kreis@oca.nh.gov
Molly.M.Lynch@energy.nh.gov
manzelli@nhlandlaw.com
Katie.I.McLaughlin@energy.nh.gov
jmiranda@rc.com
nhregulatory@eversource.com
elizabeth.r.nixon@energy.nh.gov
amanda.o.noonan@energy.nh.gov
ocalitigation@oca.nh.gov
sormsbee@colonialpowergroup.com
bryant.robinson@eversource.com
Robyn.I.Sarette@energy.nh.gov
jacqueline.m.trottier@energy.nh.gov
Marc.H.Vatter@oca.nh.gov
david.wiesner@eversource.com